

# **Is Freedom Worth The Effort?**



**Charles R. Sligh, Jr.**

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## **Is Freedom Worth The Effort?**

An address by Charles R. Sligh, Jr.

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I would like to visit with you tonight on the subject, "Is Freedom Worth the Effort?"

First, of course, I think we must recognize the fact that the word *freedom* is greatly misunderstood today, and many people think that freedom is divisible. But it isn't; it is indivisible. We can't have little compartments containing freedom of the press, freedom of religion, freedom of speech, freedom of assembly, and freedom of enterprise, which includes, of course, freedom of choice, the freedom to make a profit or take a loss, and the freedom to work at a job of your choosing without paying tribute to someone else. None of these things, in my opinion at least, can be compartmentalized and kept separate from the others. I think that if any one of them is harmed, we destroy or we start to destroy all freedom.

Freedom in this country started with the Declaration of Independence. And from that very time, we have had a gradual diminution of freedom. That has held true regardless of which political party was in power at the time.

Let us check over some of the important areas, to see just where we stand at this present moment, nearly 200 years after the signing of the Declaration of Independence.

I'm going to give you a lot of statistics tonight. I'm not expecting that you will remember them, individually or specifically, but I think

from them you will get a broad idea of the relationship between different periods in our history, and it may help us to understand a little better the problems that face us. So bear with me and don't try to remember the details; but I do hope to carry to you a broad concept of the picture.

Let's start in the area of government spending and the resultant deficits and national debt which face us today. In 1950, our federal administrative budget in this country called for expenses of \$39.5 billion. In that year the government received, in payments from the people, \$36.1 billion. In other words, we had, at that time, a \$3.4 billion deficit. What has happened since? Well, let's look at this year, which will end on June 30, 1968. We find that the official estimate for the year of 1968 called for expenditures of \$135 billion and receipts of \$127 billion: a deficit — a *planned* deficit — of \$8 billion.

But now they have found that a few errors were made. And even the officials in Washington readily admit that this deficit, by June 30, 1968, will probably amount to something between \$28 and \$30 billion. That's a little different from the \$8 billion which they officially "guesstimated" at the beginning of the year.

Now, there are many arguments which are used to explain this situation, and one of the most common, if one of the least effective, is the tremendous growth in the population of this country. People say, "Well, in 1950 we only had 154 million people in the United States." And this very day the Gazette Telegraph tells us that there are 200 million people in the country today. But this is an increase in population of only one-third, as opposed to an increase of three and one-half to four times in federal spending. So that hardly answers the criticism.

The next and more common claim is, "Of course we have a tremendous amount of spending and, really, nothing much can be done about it because we have a problem of defense in this country and there's no meat left on the bone. There's nothing we can cut without radically cutting our defense." Well, let's look at this argument. Since 1960, defense spending has increased 71 per cent. Since 1960, *non*-defense spending has increased 97 per cent. That's a tremendous increase, and there *is* meat left on that bone that can and should be cut—especially in the face of these terrific deficits.

We have welfare and health programs, and these programs have increased in expense by 21 per cent since 1960. Now, here is one of the points I made earlier when I said that this diminution of freedom has continued through all administrations; and the expenses have continued through all administrations. This item of health and welfare comes under the Health, Education, and Welfare Department, a department started during a Republican administration, not a Democratic administration. And, in my opinion, it will grow to be the biggest department in government. It's very hard for a politician to vote against health, education, or welfare.

The federal government today owns one-third of all the land in the United States. In 1955, they owned 21.4 per cent of all the land. Again, that's quite an increase. Well, probably vacant land, unusable land, land that isn't good for much of anything else; why shouldn't the federal government own it? Vacant land? Not all of it! The federal government also owns 423,000 buildings on this land, with 2.5 billion square feet of floor space.

How about federal funds in support of education? In 1962, in support of education in

educational institutions, we spent \$4.75 billion, and in 1966 we spent \$10.5 billion—more than double in just four years.

Today, our government is spending \$425 million a year to tell us what they can do for us. I think they really should re-word that, and admit that it should be what they are doing *to* us, not *for* us.

Forty-two million people in the United States today receive checks, either directly or indirectly, from the federal government. That's a pretty good base, as a voting base, isn't it? Forty-two million individuals. And remember, many of the members of their families also vote.

The national debt today has reached the astronomical proportions of \$340 billion. Just to pay the interest on this debt—which isn't very productive—we are spending \$37 million a day.

Our federal government at this moment is spending \$4 thousand every second of every hour of every day of every week of every month of every year—and it's growing. This is all just a start.

Maurice Stans, who was the director of the budget under the Eisenhower Republican administration, and who is a friend of mine and, I think, a very astute gentleman in this area, has said that government spending will probably double in the 1970's.

Now, very evidently, if this is not checked, this spending can only lead to runaway inflation. In that connection, I'd like to recite a little poem to you. It goes this way:

I wish I were a dollar,  
that everywhere I go,  
The people who possess me,  
could see and feel and know  
That with me in their pocket  
they had one hundred pence  
And not in God be trusting  
for forty-seven cents.

It can't happen here? It *has* happened here! Because that poem, I'm sorry to say, I did not write. That poem was written by William Jennings Bryan in 1896. And today we sit here, this evening, hoping that someday, maybe, our dollar will be worth forty-seven cents! Because, based on a 1939 dollar, it is worth exactly forty-three cents today.

Well, let's look at taxes. The soapbox orators and the rabble-rousing—so-called—liberals tell us that the people receiving the higher incomes in the country really aren't paying their "fair share" of the cost of government. What are the facts? If we use as an example a married couple with two dependents, and the tax rates in effect from 1965 through 1967, and figure that this couple will use the split income provision of the law, after exclusions, but before deductions, we can figure the tax: A person with a \$5,000 income pays a \$290 tax. A person with a \$10,000 income receives twice as much income as the individual earning \$5,000; he pays \$1,114 tax—in other words, nearly four times as much. The \$25,000 income family has five times as much income; pays \$4,412 tax—over ten times as much. And then, of course, there's that very fortunate person that everybody envies: the man that earns \$100,000 a year. He receives twenty times as much income and he pays \$37,748 tax—130 times as much as the man with the \$5,000 income.

And what do we do with this money? Well, we send it all down to Washington and we hope, in some way, maybe we'll get some in return.

I'm going to tell you a story that will shock you—but today we need to be shocked—and this is the story about the Eskimos and the wolves. Perhaps some of you have heard it. The Eskimos were bothered for a long time by marauding wolves who came in the night and stole

their provisions. And in an effort to find a way to correct this situation, they found that by planting a sharp-bladed knife with the handle in the ice, and freezing that handle in the ice solidly, and leaving the sharp blade sticking up out of the ice, and then taking some seal meat and putting it on the blades, the wolves would come around at night and eat the seal meat. And, of course, they would cut their tongues and start drinking their own blood—and the more they bled, the more they drank—until they finally dropped dead. They'd bled to death.

This is what's happening to us. We seem to think that we can send this money to Washington and then, in some magical way, get something for nothing. We can't. And if we continue to do it, we, too, will bleed to death.

In connection with these government spending and taxing problems, it is interesting to note the difference between a government enterprise and a privately operated enterprise. And I think perhaps the best examples would be the telephone company, which is nationwide, and the post office department, which is also nationwide. I looked these figures up and I found that, in 1950, the average price of a call between New York and Philadelphia, Chicago, Denver, or San Francisco was \$1.67. In 1966, in spite of the fact that almost everything has increased in price, including the cost of government, that average cost was \$1.40—a decrease in cost to the public of 16 per cent. But the companies, at the same time, made nine times as much net revenue. And, of course, they had to pay a considerable tax to the government on that revenue.

Now let's look at the post office department. In 1950, postal revenues were \$1.7 billion. In 1966, they were \$4.8 billion—a very healthy increase. But the postal losses in 1950 were \$545 million, and in 1966, \$943 million. Nearly

three times as much revenue, but a 73 per cent increase in loss—and the post office department paid no taxes to the government. The loss was taken out of your pockets.

Well, now, perhaps there are benefits that help to outweigh these demonstrated costs. Let's check into some of them. How about crime? We certainly are spending more now to prevent it; we have larger and better-trained police departments; we're developing riot squads; we have the National Guard available to take care of these matters; and what has happened to crime? It should have been greatly reduced, shouldn't it? It has nearly tripled, if we use as the guide, offenses against persons and property. It has nearly tripled from 1940 to 1965.

On Sunday I read, in the Gazette Telegraph, that crime in your own beautiful community—major crime, in your beautiful community—has increased 26 per cent in the last year. We haven't done very well with our money there, have we?

Let's look at labor. Has that improved? We have jobs for everybody now; they're all getting good wages. But we find we have union monopoly problems that allow one man to close down an entire automobile industry if he wishes; one man can close down the entire trucking industry if he wishes; another man can close down the entire shipping industry if he wishes; and another can close down the entire steel industry if he wishes.

Let's look at a couple of the National Labor Relations Board decisions. This board—no member of it was ever elected; they're appointed, and yet they hold life and death control over many of the companies of this nation—has made a couple of decisions now that say that a business cannot go out of business unless it bargains with its employees on the subject. And in one case, in the southeastern part of the United

States, a company had been out of business for six years and the National Labor Relations Board, studying the case, in their wisdom said, "You had no right to go out of business without bargaining with your employees; therefore, we require that you pay all those employees their average hourly earnings for the six years that they have not worked. And some of those men still aren't working, so you pay them their average hourly earnings until they can find suitable employment."

And very recently another case came up, and in this case the government came in and said, We want to put a highway through your plant; at least six months from now you will have to move. So, strangely, the company decided to go out of business. In fact, they decided that there was no hope and they went out of business a little faster than they had planned. They went out of business in three months, instead of the six months that the government had given them. So the National Labor Relations Board came and said, You must pay your employees for the six months you could have stayed in business until the government took over your plant. And they have made it stick.

Even our great friend, David Brinkley, who I think all of you admit is not a very conservative commentator, says this about the National Labor Relations Board: "The National Labor Relations Board is supposed to be an unbiased, adjudicating body, somewhat like a court. It usually behaves like a body of the AFL-CIO and is about as neutral as George Meany." He's talking about a case early in 1966 and he goes on to say, "So today it ruled that Westinghouse must bargain with the union about a one-cent increase for coffee carried out in paper cups." Well, that came from what I consider a liberal commentator.

How about some other agency? Well, let's consider for a moment the Federal Trade Commission. In the southeastern part of the United States there's a company that makes work clothes for working people, and for years they've made coveralls, and very successfully. They had a trademark and they called the coveralls, Red Fox coveralls. But the Federal Trade Commission sort of smelled a rat when they saw that label, and they made a study of this particular company, and unfortunately they found that not one bit of red fox fur was used in the manufacture of the coveralls! So they ruled that the company could no longer use the name, Red Fox. Well, fortunately, there was at least one good senator in Washington at that time, and he got up on the floor of the Senate and pointed out that if the Congress allowed this particular ruling to stand, then of course the Bluebird Cafe, in the future, would be allowed only to serve fricasseed bluebirds; the Eagle Laundry would be required to limit their washing to eagles; and the Greyhound Bus Company. . . well, you can figure that one out.

I think we must face the fact that our country is in a very precarious position, and that reaching it has been a very gradual movement into a socialist state, ever since that very wonderful Declaration of Independence was signed. And this is true, again I say, regardless of the political party in power. We really have been lulled into a false sense of security. You know, they say, if you take a frog in your hand and drop him into a shallow pan of boiling water, he will just drop into that pan and fly right out and hardly be touched at all. It really won't hurt him seriously. But if you take the same frog and put him in a pan of water at room temperature, and then turn on the gas—just a small flame under the pan—the frog will just lie there and blissfully

boil to death. That's what's happening to us: We're blissfully being boiled to death.

Is it too late? Is it, really, too late? And is freedom worth the effort? For us, it probably is too late. For our children, and their children, perhaps not. I'm interested in this because it happens that I have eight children and fifteen grandchildren; I have something at stake. But get started we must. How can we do it? What can we do?

Well, let me paraphrase a much-quoted part of John F. Kennedy's inaugural address. He said, "And so, my fellow Americans, ask not what your country can do for you. Ask what you can do for your country."

I suggest that we change this emotional appeal in the following way: Ask not what your country can do for you. Ask what you can do for *yourself*.

What are some of the things that we can do for ourselves? Well, there are programs, some of which all of you know about. But how many of you are working with them? How many of you are trying to see that they accomplish the results that *could* be accomplished? I'll mention first, Junior Achievement; a program that is in the high schools of our country, that teaches young people about business and how it operates, so that when they get out of school they have some inkling of the business system and the economy of this country. They will have some knowledge of the relationship between labor, capital, and management, and they understand that profit really isn't a dirty word; that profit is the life blood of this economy, and that all the do-gooders in the world couldn't do a thing if somebody didn't make a profit that they could attack and take part of.

I had an experience of my own, dating back to 1933, when I learned that lesson. When I

started in business in Holland, Michigan, at the depths of the depression, there was a vacant furniture plant that had been idle for three years. The workmen one night had gone out of that plant; the next morning they were notified that the plant was bankrupt and that their jobs had been closed down; and the plant and the workmen had been idle for three years. I had been idle, too, for many months during the depression, and my partner, also.

But we went into Holland, we took over that plant, and we furnished some capital and some management ability, and pulled those workmen back into that plant. And the three of us together—labor, capital, and management—made a going concern out of it, which, for the last thirty-four years, has not laid off a single man. And we still have with us some of the men that were there thirty-four years ago.

I know that labor and management have more in common by far than labor and so-called labor leaders. We can't possibly operate a business without labor, and they can't possibly have jobs without management, and neither of us can operate without capital.

Another step that we can take is a program that, itself, is called STEP: Solutions to Employment Problems. This program was started by a young man named Charles Stenicka, who graduated from a course at Rampart College and who then went to the National Association of Manufacturers in New York and developed this program. His idea was that everywhere in America *some* manufacturer had found a way to solve an employment problem, and if we could get the views and ideas of all these various companies and bring them into a central location, we could make available to other managers around the nation the solutions, perhaps, to their own employment problems. And this is exactly what STEP has accomplished.

I'll just give you one example of the type of problem that was cured, or solved. This particular manufacturer was a very small manufacturer and he was trying to employ college graduates. But every time he went into a college to try to obtain the services of a college graduate, one of the larger companies made offers that he couldn't match, so he never could get the type of management "brains" that he wanted. He finally thought of something: He finally decided to use college drop-outs. Not college people who had dropped out because of a lack of ability to pass their courses; rather, men who had gone to college and had plenty of brain power and had wanted to go through college but, for some reason, had been forced to drop out because of financial difficulties. This firm sought those men out and found some of them; in some cases offered them the rest of their education, in others took them in at that point. And they have solved their employment problem. This is just one example of many that I could mention.

Another program is a program called MIND. This program, MIND, stands for Methods of Intellectual Development, and this, too, was started by a young man who graduated from a course at Rampart College and who then went to the NAM and set this program up. His idea was that he could help school children who were having trouble with their subjects, and that he could help people in industry who were unable to read, or who couldn't write, or who couldn't type fast enough, or who couldn't spell well enough. He started a program that has now been tried and found worthwhile. I'll give you two examples in connection with it.

One was the program that was carried on in the Argo Community High School. These students, 100 of them, all of whom had been fail-

ing in their math, were taken to an industrial plant—a different atmosphere entirely from that which they were used to—and in that industrial plant, from eight to nine o'clock each morning, before their own classes started, they were given instruction in mathematics. All of these students, as I said, were behind in math when the program started, and over a period of two months they spent twenty hours in this class. On the average, each of these students moved ahead one year and four months in arithmetic achievement, in that two-month period.

Example number two: This program is not only for children; as I mentioned, it can help to solve employment problems. One industrial project was held early in the history of this little company, MIND, Inc., by one of the largest food companies in the United States of America. They took thirty-eight of their men, and these men averaged a 3.2 year increase in math and averaged a 2.6 year increase in word knowledge during seventy-nine hours of training. These thirty-eight participants increased their ability to hold jobs and to go four job levels higher than they had held when the program started. The MIND system uses tape recordings. It does not require a teacher. The most successful program yet held in the industrial field, by this company, used as its monitor a seventeen-year-old secretary. And that was the program I just told you about, with these thirty-eight men.

This program can be used in *any* community in which there are free enterprisers willing to get in and pitch to help save this system of ours. It can help make achievers of low and under-achievers in school. It can give new hope and opportunities to drop-outs. It can help employed people to better their employment positions, step up their employment one, two, three, four,

or five grade levels, and let other unskilled people come in at the bottom.

Isn't this plan, that I've just described, far superior to the typewriter-repair-school program that was put on by the government and which was described by one of the trainees in this way? He said: "I attended school for twenty weeks. For two weeks we had no typewriters to work on. When the typewriters arrived, there were no tools." All that government program did to this young man was make him bitter and make him realize that the government cannot save him, and that some way he's got to make it on his own.

Well, can we really, as individuals, be effective? Is there really some hope? I think there is, if we are ready to stop demanding help from government and start using our God-given intelligence to figure out solutions to our own problems.

Bryan made another statement that I think is worth quoting, and it goes this way: "The humblest citizen in all the land, when clad in the armor of a righteous cause, is stronger than all the hosts of error."

I think there are some encouraging signs in the country today; at least a slight glimmer of light and hope. Rampart College, near here, is one of those signs. They have graduated 2,000 students, from all over the United States. Six hundred and fifty-two of these students came from one company—a large company with a hard-headed businessman at the head of it, who firmly believes that the training these young men of his get at Rampart College fits them for better jobs and better service in his company.

Private schools exist in this nation and new ones, fortunately, are springing up. Many primary and secondary schools are being started; I know of three, at least, that were started by Rampart College graduates. There are others—

private schools that are not accepting money from government; they're seeing that the children get a finer education than they can in the public schools and they're being sure that these children are being taught something about the free enterprise system, so that they understand it as they go along. And the primary school is not too early for that.

And then we have the private colleges of this country, which I believe are the backbone of education as it exists today in this nation. Many of those private colleges are trying their best to exist without any aid from government. I am a trustee of Grove City College, just north of Pittsburgh. For over thirty years, Grove City College has taken in more from its students than it has spent for operating expenses. Now, when I say that, usually someone immediately says, "Oh, well, what's your tuition? It must be fantastic!" Our tuition is \$700 a year. Our tuition, room, and board costs \$1,625 a year. And we are in the black every year, and we owe no one anything—and we teach free enterprise.

Another encouraging sign is that the polls clearly show, I think, that the public is rebelling, finally, against government spending, taxes, union monopoly power, bureaucratic rulings, and red tape. A gradual shrinking of government—through *non-use*—is the only answer to this problem; and it's a long-term answer. This can only come about through a true moral awakening in this nation.

The other night I was in Washington, Pennsylvania, and at a dinner party I sat across from a local judge. I asked him what he thought the answers were to the terrible crime waves, to the riots, to the violence, intimidation, and coercion that are so evident at every hand. I thought, of course, that he would say, "Well, we've got to have more police and better trained police.

We've got to have stricter enforcement of the laws, and we need some new laws." But he didn't say any one of these things. He said just these words: "We must have a moral awakening in the United States if we are to survive."

As man's individual life runs, it has been a long time since our Declaration of Independence, and it has taken a long time to mire us in the mess in which we now find ourselves. We're not going to find a way out of this mess in a hurry. This means only one thing: that we must immediately change our direction and work down the road toward freedom of the individual, and away from the goal of a totally socialized state. It's going to take some hard decisions on our part, and probably no one of us will ever reach perfection. But that must be the goal toward which we proudly strive.

It has been said that the history of man has always followed a rather set pattern: from slavery to spiritual faith, from spiritual faith to courage, from courage to freedom, from freedom to abundance, from abundance to selfishness, from selfishness to complacency, from complacency to apathy, from apathy to dependency, from dependency back into bondage.

Where are we in this country today in that cycle? I'm not going to try to tell you where we are; but I do hope that every one of you here tonight will go home and think about it in your own mind. Just where are we in that cycle? Get that answer clear in your mind.

And then I hope you will join me in a pledge to do all in our power to follow the road of morality to freedom for the individual, so that our children and our grandchildren may have a land which is stronger both morally and economically than the one bequeathed to us by the signers of the Declaration of Independence.

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